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Careers for the Coming Men

A Practical and Authoritative
Discussion of a Profitable
Profession

LIFE INSURANCE

By

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Prudential Insurance Company
of America

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Careers for the Coming Men.

LIFE INSURANCE.

By Hon. John F. Dryden.

LIFE INSURANCE," in the words of De Morgan, "though based upon self-interest, is the most enlightened and benevolent form which the projects of self-interest ever took. Stripped of its technical terms and its commercial associations, it may be presented in a point of view which will give it strong moral claims to notice." In its origin a British institution, life insurance has developed most rapidly and on the largest scale in the United States. Practically unknown in this country a hundred years ago, and of insignificant proportions even fifty years since, the last half century, and in particular the last ten years, record what must be conceded the most marvelous business success of this or any other age.

**Life Insurance a
Marvelous
Business.**

WHILE there are many forms of insurance protection, legal reserve life insurance alone offers the absolute assurance that the obligations incurred and the promises made will be ultimately met with certainty. Of such companies there are about eighty in active operation, with about four million "Ordinary" and about thirteen and a half million "Industrial" policies in force. The accumulated assets of these companies exceed \$2,000,000,000, and the annual payments to policy-holders, \$200,000,000.

**Security of
Legal Reserve
Life Insurance.**

**Magnitude of
the Business.**

The annual income is more than \$500,000,000, while the surplus to policy-holders exceeds \$300,000,000.

**Investment and
Life Insurance
Combined.**

LIFE insurance has been defined as a social device for making accumulations for meeting uncertain loss of capital, which is carried out through the transfer of the risks of many to one person, or to a group of persons, in clear recognition of the principle that "the aggregate danger is less than the sum of the individual dangers, for the reason that it is more certain, and uncertainty of itself is an element of danger." Primarily devised to provide for the support of widows and orphans, the practice has been developed so as to include the secure investment of surplus earnings, in conjunction with the insurance of a sum payable at death.

**Great
Possibilities.**

IN virtue of these principles the system has been developed to an extraordinary extent, but, however widely diffused, it is safe to state, with a reasonably thorough knowledge of the facts, that the real development of the business is of the future rather than of the present, and that the actual progress which has been made during the last thirty years will be in contrast, rather than in comparison, with the far greater progress and further extension of the business during the next thirty years.

THIS, then, appears on its face a reasonable proposition, that for a career many young men would choose well and wisely to attach themselves to what already is one of the foremost and most important business enterprises of the age. Subject to no violent fluctuations, of an enduring character, and growing at a rapid rate, the administration and management of this business require an army of men of exceptional ability, integrity, energy and insight, and to such the business offers not only adequate compensation, but more than average remuneration. In no business, it is safe to say, is the division of labor carried to so high a degree of perfection and at such little cost to the individual. In life insurance the greatest possible range of opportunity is given to every individual worker, whether in the office or outside, and the gradations of employment are such that at least a moderate amount of success is within the reach of all who conform to the simplest principles of industry, energy and integrity.

**Effort,
Opportunity
and
Promotion.**

BROADLY speaking, there are two distinct methods of life insurance on the legal reserve plan, namely, Ordinary and Industrial. Of the two the latter is relatively the more important, in that it reaches a very much larger number of people. The essential difference is in the method of paying the premiums, in that Industrial payments are weekly and collected at the homes of the insured, while Ordinary premium

**Industrial and
Ordinary.**

payments are quarterly, semi-annual or annual, and required to be sent to the office of the company. A further distinction is that the average amount of insurance is about \$120 on the Industrial, against about \$2,100 on the Ordinary plan.

**Opportunities
for
Young Men.**

THESE two distinct methods of life insurance, although derived from the same fundamental basis of mortality and finance, offer different opportunities for young men who make a choice of life insurance as a career. Again, speaking broadly, the work of a life insurance company is divided into office work and field work, or administrative and agency work. By the latter term, in Industrial insurance, is understood the soliciting for new business and the continued collection of the weekly premium; in Ordinary insurance, only the soliciting for new business and the collection of the first annual premium. The home office work is practically the same, except in so far as the administration of an Industrial-Ordinary company is more intricate, more scientific, and more subdivided into different departments, on account of the enormous number of risks insured. With an Industrial company the number of risks is counted by the million, and the new weekly proposals alone average from twenty to thirty thousand. This requires a large machinery for accounting, inspection, tabulation, analysis, etc., and for this reason the home

office of an Industrial company may be said to offer a wider field for the development of individual talent.

THE field work of Ordinary and Industrial agents has much in common, and yet there is a radical difference. Both classes of agents have to secure business by personal solicitation, with this difference, that the former reaches the more prosperous element of the population, while the latter is expected to canvass largely among the families of wage-earners or people of small means. This work is thoroughly supervised by district superintendents and assistant superintendents, who are responsible for the most effective management of their respective districts. While the average amount of insurance under Industrial policies is about one-seventeenth of that of the Ordinary, the opportunity for insuring the entire family increases correspondingly the opportunities for making an agency a position of material importance. The usual method is to transfer to a new agent a certain amount of collectible premiums, and through this introduction to the business he becomes familiar with the territory and soon adapts himself to the local conditions. Promotion is rapid from the position of an agent to that of an assistant superintendent, with a guaranteed salary, and to the still higher position of district superintendent. Very little technical education is required for Industrial field work, and the chief elements of success are energy, tact and integrity.

**Development of
Individual
Talent.**

**Industrial
Agents.**

**Promotion
to Higher
Positions.**

**Attractions of
Field Service.**

ADDITIONAL attractions for employment as life insurance field workers are the opportunity for outdoor life, contact with different elements of the population, and, perhaps most of all, the certainty of finding remunerative employment in any part of the country—in fact, in almost any part of the civilized world. A good solicitor for life insurance can secure a paying position anywhere, and he will be readily employed if he can furnish satisfactory references and credentials.

**Educational
Qualifications.**

ORDINARY solicitors require a fairly thorough technical instruction in the general principles and practice of insurance, since the large variety of plans of insurance offered to the public by different companies makes competition very keen, and success often depends upon a perfect knowledge of the intricacies of the business. The more thoroughly the Ordinary solicitor realizes the necessity for personal canvassing the more likely it is that success will be attained. The business cannot be advantageously carried on in connection with other employment. An agent should understand the fundamental principles of life insurance and have a thorough knowledge of every plan of insurance sold by his company and its chief competitors. The men who succeed best are those who limit themselves in their arguments to a straightforward statement of the facts in the case—in other words, to the cost of insurance and the results to be

realized by the insured. Men who adapt themselves to the exigencies of the occupation are practically certain to meet with modest success, and reasonably certain to meet with more than average success, such as would follow corresponding efforts in other directions. Every agent should make himself familiar with the history of his company and with its principles and practice, as well as with the general history of insurance and the readily comprehended arguments in favor of this form of family protection.

THE general status of the life insurance solicitor has very materially improved within recent years, largely because of the superior class of men who are now attracted to this calling. The arguments in favor of insurance have become more intelligent, the literature distributed for the information of the public has been freed from technicalities and from controversial arguments, while at the same time the public at large has become more thoroughly familiar with the value and advantages of life insurance protection. Other things equal, it is safe to say that the best success is attained in communities in which a large number of companies are represented and actively engaged in the extension of their business. To agents, Industrial as well as Ordinary, who will adapt themselves to conditions under which success is granted, the business offers to-day exceptional opportunities for remunerative employment and for rapid

**Elements of
Success.**

**Status of
Life Insurance
Solicitors.**

**Advancement
More Rapid than
in Other Lines.**

promotion to higher grades of field management or to the administrative branch of the business, probably more so than in banks, railways or other financial and commercial enterprises.

**The Management
of a
Life Insurance
Company.**

THE general management of a life insurance company is under a board of directors or trustees, according to the character of the institution—whether proprietary or mutual. The direct administration is in charge of officers and officials, to each of whom specific duties are assigned. The president's duty is to maintain a general supervision over and direction of the business of the company, both in the office and in the field, but in particular he must give his attention to the care and investment of the company's funds and to other financial transactions—a great and far-reaching responsibility.

**Vast Office
Machinery.**

THE vast office machinery of a large company is exceedingly complex, and not readily separated into its integral parts, but, speaking generally, there are usually three groups of officers—the first being in charge of the office and field administration; the second representing law, finance and real estate; and the third the actuarial, medical and statistical departments.

THE Ordinary field administration is always under the immediate direction of an executive officer, usually one of the vice-presidents. The territory is divided into sections, each of which is in charge of a manager, who will have under him the general and special agents, whose principal duty is to solicit for new insurance. Ordinary agents are not paid a salary, but they receive a commission on new policies secured and a renewal interest in the subsequent premiums paid. In this manner permanent relations are established between the company and its Ordinary field force, and remunerative incomes are built up by degrees as the result of intelligent effort. The office work in connection with the Ordinary department is quite involved as an intricate method of book-keeping, and therefore offers a ready field for the development of individual ability.

**Ordinary
Agents.**

THE Industrial field operations are also always under the charge of an executive officer, generally a vice-president, and subordinate to him there are division managers, to each of whom a particular section of the country is assigned. The actual field work is managed by a district superintendent, assisted by assistant superintendents, under each of whom there are a number of agents who collect the weekly premiums and solicit new insurance. Industrial agents are paid a commission for

**Office and Field
Administration.**

**Industrial Agents
as Ordinary
Solicitors.**

collecting the regular weekly premiums and a special commission for new insurance written. Industrial agents also write Ordinary insurance and thus increase their incomes. The superintendents and assistants are paid regular salaries, but they have an interest in the work of the district and receive additional compensation for Ordinary insurance secured through their own efforts. Inspectors are employed for the purpose of investigating different districts and for occasionally taking charge of districts during the temporary absence of the superintendent, or for other causes.

**Home Office
Organization.**

THE general office organization is divided into a large number of departments, each of which is under a manager and assistant manager, who in most cases have reached their positions by entering as clerks and often as office boys. The more important branches are the supervisor's, cashier's, auditor's, bookkeeper's, policy issue, claim, purchasing, editorial, advertising, mail and supply departments. Some companies have their own printing department, managed as a distinct commercial enterprise, with work limited to the needs of the company. Life insurance companies usually publish weekly or monthly publications for the instruction of the agency force and the information of the general public.

THE qualifications for employment in the general office departments vary, but as a rule the commencement is in an inferior position, from which promotions are made to junior clerkships, special clerkships, assistant managers and department managers as occasions arise. The employment is practically permanent, once a position of some importance has been attained, for the unqualified are readily forced out of the service after a sufficient trial.

**Employment
Practically
Permanent.**

MOST of the legal work of a life insurance company is in connection with the passing upon titles, securitles, investments, etc., but there is opportunity for the development of legal talent of a high order, and aside from the usual qualifications, a special knowledge of corporation law, insurance law and medical jurisprudence is necessary and of exceptional value.

**Law
Department.**

UNDER direction of the president, the finances are in charge of a comptroller, treasurer and cashier. The general duties in this department resemble the management of banks, trust companies, etc., and there are accordingly separate divisions for the conduct of the different branches of the work.

**Life Insurance
Finances.**

**The Actuarial
Department.**

THE actuarial department is in charge of the actuary. The work is divided into different sections according to the highly differential nature of the work. The main division is actuarial and mathematical, and the special requirements for employment in the last named department are a thorough knowledge of mathematics and familiarity with general insurance principles and practice, the general principles of finance and a knowledge of the practice and results of other life insurance companies.

**The Medical
Department.**

THE medical department is in charge of the medical directors, who primarily supervise the acceptance of risks on the basis of individual medical reports made by local medical examiners. Every risk is passed upon by office medical examiners, and undesirable risks, for a variety of reasons, are rejected. The requirements for employment in this department are various, but a thorough knowledge of the theory and practice of medicine, in particular of life insurance medicine, medical jurisprudence, physical diagnosis, urinalysis, etc., is essential. Local medical examiners are paid a fee for each examination, the amount of which varies according to special and well-defined circumstances.

**The Statistical
Department.**

SOME companies maintain a statistical department, under the direction of a statistician, whose duties include the collection and analysis of data pertaining to life insurance,

the tabulation and analysis of medical statistics, special investigations into mortality problems and a variety of other duties not readily defined. The special requirements are a thorough knowledge of the theory and practice of general statistics, some knowledge of mathematics and a broad understanding of social and economic problems, of longevity as affected by occupation, climate, habits, heredity, etc. A part of the statistical department is a library of insurance, medicine, law, finance, etc.

IN a general way, it may be said that the scientific temperament is most likely to lead to success in home office administration. This term is here made use of in the widest sense. Perhaps the first principle of success is absolute accuracy, which, in other words, means a careful training of all one's faculties, since the trained eye is able to see where the untrained eye discerns nothing. Scientific training, as well as all higher education, distinctly qualifies a man for administrative responsibility.

THE work of a home office may be compared to the work of a general staff of an army, the very purpose of which, in a large measure, is to seek the problems that ordinary observers cannot see. If anywhere there is necessity for the preaching and practice of what President Roosevelt calls the gospel of intelligent

**First Principles
of Success.**

**"The Gospel of
Intelligent Work."**

work, it is in the office and field administration of a life insurance company. There is an increasing demand, not only for men of energy and ability, possessing integrity, tact and perseverance, but also for specialists, to bring to higher perfection the numerous minor departments for the investigation of facts and forces beneath the surface of everyday business experience. The demand for young men of exceptional ability is out of all proportion to the available supply, and there is abundant opportunity for the profitable employment of large numbers of college-bred men, or men of higher education, who are practically certain, other things being equal, to make a greater success in the field of life insurance than in any other branch of commercial enterprise.

**Opportunities for
College-bred Men.**

E DUCATION in life insurance as a business has during recent years been introduced into colleges and universities, and some of the leading institutions now have general courses in insurance which possess considerable intrinsic merit, aside from the encouragement given to the development of special talent. The education of field men forms part of every large insurance institution, and aside from manuals of instruction, special literature on particular subjects, leaflets explaining particular policy forms, etc., meetings and conferences are held, at which agents are addressed by qualified speakers, for the discussion of problems of practical field administration.

**Life Insurance
Instruction.**

THE work of agency instruction is supplemented by life underwriters' associations, which usually combine social and educational advantages. The education of the general public in insurance principles and practice is also an important means of business extension, and all the larger companies publish literature for the information of the public, setting forth the advantages of particular forms of insurance or dealing with matters of general interest, such as the taxation of life insurance companies, the social duty of insurance, the comparative advantages of life insurance as a mode of thrift, etc. Some companies have published their history, and a number of valuable works on the technical aspects of life insurance have been placed on the market by insurance publishers. There are many valuable journals devoted entirely to insurance matters, and State insurance departments annually publish reports which contain a mass of information, with the essentials of which every agent or office man should make himself familiar. The social aspects of life insurance are gradually being recognized by writers on questions of social reform and by students of political economy.

THERE is, therefore, a considerable basis of theory and experience available to students of insurance problems, reasonably sufficient for the preliminary technical education of those who make a choice of life insurance as a business career. The opportunities for individual develop-

**Educational
Work.**

**Life Insurance
Publications.**

**Study of Life
Insurance
Theory.**

**Opportunities
for Development.****Advantages of
Life Insurance
as a Career.**

ment are exceptional, but the business is exacting in its details, and the competition between different companies is so keen that all that goes to make character in man is required for individuals to attain more than a moderate success. While it is entirely true to say that modest success is possible to any one who will exert himself with a reasonable degree of efficiency and energy, it is equally true that the most exacting demands are made upon trained minds to meet the increasing needs of a rapidly growing business. Those who have carefully observed the tendency of the business are entirely at ease in making the prediction that within another twenty-five years the present position of life insurance will appear as insignificant as the position of the business in 1875 appears to us at the present time; and it would seem to be a perfectly rational view that the intelligent, industrious and tactful young man is not likely to be in error in making a choice of life insurance as a business career.

The Prudential Agent

has to offer a most varied line of life and investment policies, on both participating and non-participating plans.

He has a most advantageous agency contract, with liberal first-year and renewal commissions.

The Company has open territory in which it desires good representatives.

FOR PARTICULARS, WRITE

**The Prudential Insurance Co.
of America.**

JOHN F. DRYDEN, President.

Home Office: Newark, New Jersey.





